

**REMARKS**

Claims 1-27 are pending in the present application. By this Response, claims 1, 10 and 19 are amended for clarification purposes and also to recite that the notification preference for each one of a plurality of auction items bid on by a subscriber is independent of the notification preference for other auction items bid on by the subscriber. In addition, claims 6, 15 and 24 are cancelled. Reconsideration of the pending claims is respectfully requested in view of the claim amendments and the remarks set forth below.

**I. Telephone Interview**

Applicants thank Examiner Hamilton for the courtesies extended to Applicants' representative during the February 18, 2004 telephone interview. During the telephone interview, Applicants' representative discussed proposed amendments that had been sent to Examiner Hamilton by facsimile. Examiner Hamilton stated that she did not have enough time to review the proposed amendment and compare the amended claim against the Popolo reference. Examiner Hamilton suggested that Applicants file a Response by the filing date and request a second interview upon filing the Response. Therefore, Applicants hereby request that Examiner Hamilton provide Applicants with a second interview after she has reviewed the Response and the prior art. It is respectfully urged that the subject application is patentable over Popolo and is now in condition for allowance.

**II. 35 U.S.C. § 112, Second Paragraph**

The Office Action rejects claims 8-9, 17-18 and 26-27 under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicants regard as the invention. The Office Action states that there is insufficient antecedent basis for the claim limitation "subscriber" recited in dependent claims 8-9, 17-18 and 26-27. This rejection is respectfully traversed.

Claims 1, 10 and 19 are amended for clarification to recite "a notification preference from a subscriber", thereby providing proper antecedent basis for claims 8-9, 17-18 and 26-27. Therefore the rejection of claims 8-9, 17-18 and 26-27 under 35 U.S.C. § 112, second paragraph is overcome.

### III. 35 U.S.C. § 102, Alleged Anticipation of Claims 1-27

The Office Action rejects claims 1-27 under 35 U.S.C. § 102(b) as being allegedly anticipated by Popolo (U.S. Patent No. 5,715,402). This rejection is respectfully traversed.

With regard to independent claim 1, the Office Action states:

Popolo discloses a method and a system for matching sellers and buyers comprising receiving a notification preference, the notification preference identifying when to notify the client of a status of the electronic auction (col.3, lines 40-60 and col.4, lines 5-20); matching the notification preference to a current status of the electronic auction (col.14, lines 35-43); transmitting a notification to the client based on the matching of the notification preference to the current status of the electronic auction (col.14, lines 35-43).

Office Action dated November 19, 2003, page 2.

Claim 1, which is representative of claims 10 and 19 with regard to similarly recited subject matter, reads as follows:

1. A method of notifying a subscriber of a status of an electronic auction, wherein the electronic auction contains a plurality of items, comprising the steps of:

receiving a notification preference from a subscriber using a client device for each one of a plurality of auction items bid on by a subscriber, the notification preference for each one of a plurality of auction items bid on by the subscriber identifying when to notify the client of a status of a bid for a respective one of a plurality of auction items bid on by the subscriber in the electronic auction, wherein the notification preference for each one of a plurality of auction items bid on by the subscriber is independent of the notification preference for other auction items bid on by the subscriber;

matching the notification preference for an auction item bid on by the subscriber to a current status of a bid on an auction item bid on by the subscriber; and

transmitting a notification to the subscriber using a client device based on the matching of the notification preference for the auction item

bid on by the subscriber to the current status of the bid on the auction item  
bid on by the subscriber. (emphasis added)

A prior art reference anticipates the claimed invention under 35 U.S.C. § 102 only if every element of a claimed invention is identically shown in that single reference, arranged as they are in the claims. *In re Bond*, 910 F.2d 831, 832, 15 U.S.P.Q.2d 1566, 1567 (Fed. Cir. 1990). All limitations of the claimed invention must be considered when determining patentability. *In re Lowry*, 32 F.3d 1579, 1582, 32 U.S.P.Q.2d 1031, 1034 (Fed. Cir. 1994). Anticipation focuses on whether a claim reads on the product or process a prior art reference discloses, not on what the reference broadly teaches. *Kalman v. Kimberly-Clark Corp.*, 713 F.2d 760, 218 U.S.P.Q. 781 (Fed. Cir. 1983). Applicants respectively submit that Popolo does not identically show every element of the claimed invention arranged as they are in the claims. Specifically, Popolo does not disclose that the notification preference for each one of the a plurality of auction items bid on by the subscriber is independent of the notification preference for other auction items bid on by the subscriber.

Popolo is directed to a system for managing steel inventories. In Popolo, sellers are able to post detailed specifications on items for sale. Buyers can browse through these items and bid on part or all of the item(s). The buyer places bids on the item(s), wherein the bids are e-mailed to the seller. The seller accepts or rejects the bid and e-mails the decision to the buyer. In addition, the buyer may select an option from the main menu which allows him/her to set personal preferences including whether to be faxed upon bid of an item and/or when the bid is accepted/rejected. A buyer cannot change Personal Settings for one auction item independently of another auction item. In other words, the personal preferences set by the user apply to all items.

Therefore, the personal settings apply to every auction item the buyer bids on and thus does not apply to one auction item independently of another auction item. While Popolo may teach an electronic bidding system, wherein a subscriber can decide when to be notified of the status of a bid, nowhere does Popolo teach or even suggest to provide a notification preference for each one of a plurality of auction items bid on by the subscriber that is independent of the notification preference for other auction items bid on by the subscriber. To the contrary, Popolo only allows a user to set personal settings

which apply to a plurality of bids placed by a buyer. In other words, the subscriber cannot individually set notification preferences on one of a plurality of auction items independently of the notification for other auction items as recited in claims 1, 10 and 19 of the present invention.

In Popolo, the notification preference is set in the Personal Settings subroutine depicted in the table presented at column 3, lines 40-60 of Popolo (reproduced below). Nowhere in the table is it suggested that the notification preference is tailored to each individual auction item. To the contrary, there is nothing at all that even contemplates that various Personal Settings may be applied to each individual auction item bid on by a user independently. The table explicitly shows a Personal Settings option that is specific to no particular auction item but rather generally applies to all auction items bid on by the buyer. This is further evidence that Popolo does not teach notification preferences for each one of a plurality of auction items bid on by the subscriber that are independent of the notification preferences for other auction items bid on by the subscriber.

SUBSCRIBER:	BILL TO:
Mr. John Doe	Mr. James Doe
President	President
Acme Steel Co.	The Roe Group
123 Main St.	321 Elm St.
Anytown, U.S.A.	Mytown, U.S.A.
VOICE PHONE:	PRINTER:
FAX:	
UOM Sizes	Timezone:
UOM Weights	Currency:
UOM Prices	
UOM Physicals	
Auto-disconnect time interval?	
Fax you upon bid on your item?	
Fax you when your bid is accepted or rejected?	
Cover Sheet on Fax to you?	
Terms and Conditions of Sale:	

In addition to the above, the Office Action rejects claims 10 and 19 for essentially the same reasons as that of claim 1. Therefore, the arguments set forth above apply equally to claims 1, 10 and 19.

In view of the above, Applicants respectfully submit that Popolo does not teach each and every feature claims 1, 10 and 19 as required under 35 U.S.C. § 102(b). At least

by virtue of their dependency on claims 1, 10 and 19, Popolo does not teach each and every feature of dependent claims 2-9, 11-18 and 20-27. Accordingly, Applicants respectfully request withdrawal of the rejection of claims 1-27 under 35 U.S.C. § 102(b).

In addition to the above, Popolo does not teach the specific features recited in claims 2, 11 and 20. Specifically, Popolo does not teach notification criteria identifying a plurality of auction sequences. The Office Action alleges this feature is taught at column 3, lines 13-20 of Popolo, which reads as follows:

Selection of Option C calls an electronic mail subroutine indicated by the block 53, permitting any subscriber on the system to communicate with any other subscriber. The mail subroutine 53 is also called automatically when a buyer bids on an item of inventory or the seller accepts or rejects the bid. In addition the subroutine 53 controls fax transmission between users as will be described further hereinafter. (column 3, lines 13-20)

This section merely teaches an e-mail subroutine which allows subscribers to communicate with each other. Additionally, the e-mail subroutine is also called automatically when a buyer places a bid or a seller accepts or rejects a bid. A separate e-mail is sent for each bid on an auction item that is placed and each bid on an auction item that is accepted or rejected. There is nothing in this section that even hints at a notification criteria identifying a plurality of auction sequences. In fact, this section has nothing to do with identifying auction sequences. This section only generally discusses e-mail notification of bid acceptance or rejection.

In addition, the Office Action also alleges that the table presented at column 3, lines 40-60 and reproduced above also teaches notification criteria identifying a plurality of auction sequences. Applicants direct the Examiner to the arguments set forth above with regard to this section. Specifically, there is nothing in this table that identifies any specific auction items or auction sequences. This table relates generally to all auction items. Nothing in this table teaches or even suggests notification criteria identifying a plurality of auction sequences. This table merely teaches that a subscriber can request notification when an item is bid upon and also when the bid is accepted or rejected. There is nothing, however, that has anything to do auction sequences. Thus, while Popolo may teach notification criteria, Popolo certainly does not teach or suggest notification criteria identifying a plurality of auction sequences.

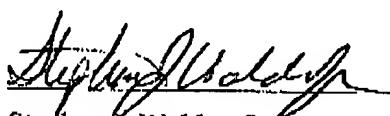
Furthermore, Popolo does not teach, suggest, or give any incentive to make the needed changes to reach the presently claimed invention. Absent the Examiner pointing out some teaching or incentive to modify Popolo so that the notification preference for each one of a plurality of auction items is independent of the notification preference for other auction items, one of ordinary skill in the art would not be led to modify Popolo to reach the present invention when the reference is examined as a whole. Absent some teaching, suggestion, or incentive to modify Popolo in this manner, the presently claimed invention can be reached only through an improper use of hindsight using the Applicants' disclosure as a template to make the necessary changes to reach the claimed invention.

#### IV. Conclusion

It is respectfully urged that the subject application is patentable over Popolo and is now in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

Respectfully submitted,

DATE: February 19, 2004



Stephen J. Walder, Jr.  
Reg. No. 41,534  
Carstens, Yee & Cahoon, LLP  
P.O. Box 802334  
Dallas, TX 75380  
(972) 367-2001  
Attorney for Applicants

SJW/kg